

Gambling Control Board Meeting Minutes
June 20, 2007
45 Commerce Drive, Augusta, Maine

Meeting opened at 12:40 p.m.

Board members present: Chairman George McHale, Larry Hall and Cushing Samp. (Peter Danton absent (excused)). One vacancy exists on the Board.

Staff members present: Exec. Director Robert Welch, Lt. David Bowler, Auditor Scott Woods and Secretary Kathy Chamberlain.

Legal counsel: Melissa O'Dea, Ass't Attorney General

Introductions: Col. Patrick Fleming introduced Lt. David Bowler, who has taken Lt. Fleming's former position, as he was promoted to Col. Lt. Bowler will oversee the Gaming and Weapons Division as well as State Police staff within the Gambling Control Unit.

- **Minutes from April 25, 2007 meeting approved.**

Motion to accept: Cushing Samp

Seconded: Larry Hall

Vote: 3-0

- **Executive Director's Report – Robert Welch**

A. Legislative Update: L.D. 701 on Indian Island Slots will be carried over to the next session.

B. Wiring of the Conference Room: Final costs were \$11,000.00. Bob will get the necessary changes made to the microphones, so they don't have to be held down in place constantly.

C. Retention of licensee employee records: Hollywood Slots will put them on a CD monthly and submit to us.

D. Licensing Information: Four companies have been submitted for renewal.

- **Financial Update – Scott Woods**

No financial problems, all going well. Payments are coming in and going out very well.

- **State Police Activity Update – Det. Don Armstrong**

No problems reported at the Racino. Applications received since the last board meeting are: 60 Licensed Employees, Five Non-Licensed Employees, Two Business Entities, Eight Key Executives and One vendor for a total received of 76, to be processed in the unit.

- **Other Business**

Bob Welch advised that the SAS 70 Audit will still be on hold. Must wait until we have the finances to have the Audit done.

- **New Business:**

Discussion on the August 2006 Resolution approved by the Board, with a six month Review to be completed. Mr. Welch contact UMASS Dartmouth who have done studies all over New England on gaming. Costs would be \$35,000 to have it done. If only one study could be done costwise, perhaps wise to wait until the permanent racino facility is in operation, and then proceed. An R.F.P. would have to be done.

Motion: by Larry Hall to keep the Moratorium in effect until we can take it to the R.F.P. process. Motion amended to allow Mr. Welch to see if the money is available first to do so.

Seconded: by Cushing Samp

Vote: 3-0

- **Public Comments**

Jon Johnson, Mgr of Hollywood Slots gave the Board a financial report, covering November 2005 through April 2007. 28 million has been paid out in taxes to the State of Maine, since the opening of the Racino.

Acquisition of Hollywood Slots/Penn National by private interest companies: The corporate office will remain the same, no impact on Penn for changes. The License is currently owned by the Bangor Historic Track which expires in August of 2007. Suitability of new owners will be conducted by the Board. The purchase requires that new gaming regulatory bodies “sign off” on suitability before the deal is closed. Penn currently in 14 states.

Construction of Permanent Facility: The structural steel will be coming in next week. They plan to have it enclosed by November. A webcam is on the Bangor Daily News website that shows the progress of the project.

- **Next meeting date – August 8, 2007**

Motion: by Cushing Samp to adjourn meeting at 1:35 p.m.

Seconded: by Larry Hall

Respectfully submitted,

Kathy Chamberlain
Secretary